

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Rodella DATE TYPED 02/16/05 HB 448/aHAGC

SHORT TITLE Preservation of Chimayo Chile Strain SB _____

ANALYST Ford

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$100.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates
SB 408

SOURCES OF INFORMATION

LFC Files

Responses Received From

Economic Development Department (EDD)
Department of Agriculture

SUMMARY

Synopsis of HAGC Amendment

The House Agriculture and Water Resources Committee amendment replaces EDD as the recipient of the appropriation with the college of agriculture, home economics department of New Mexico state university (NMSU). Accordingly, the amendment requires NMSU, not EDD, to report on the benefits and results of the appropriation to the legislature.

Synopsis of Original Bill

House Bill 448 appropriates \$100 thousand from the general fund to the Economic Development Department (EDD) for the purpose of contracting with a nonprofit cultural asset community development organization administratively based in Santa Fe county, that will work with a Chimayo-based coalition to develop an economic development plan and to begin implementation to preserve, conserve, heirloom and seed bank the Chimayo chile strain.

The EDD shall report the benefits and results of this appropriation to the second session of the 47th legislature.

FISCAL IMPLICATIONS

The appropriation of \$100 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2006 shall revert to the general fund.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

House Bill 448 duplicates Senate Bill 408

TECHNICAL ISSUES

The language of the bill is somewhat vague as to the goal of the bill. Is the intent to conduct studies for generation and preservation of the species? What is the goal of an economic development plan?

The bill appropriates funding for EDD to contract with the community based organization, but the bill does not specify whether EDD can use any of this appropriation to cover the administrative costs of developing the contract and reporting the results to the legislature.

OTHER SUBSTANTIVE ISSUES

EDD warns that the Chimayo strain of chile seed stock will deplete over time and perhaps disappear. Small chile growers and farmers in the Chimayo valley may lose a traditional livelihood which provides them with supplemental income. The Department of Agriculture notes that the Chimayo chile carries a marketing value and is specifically recognized and preferred by many consumers.

EDD notes that New Mexico State University (NMSU) has done substantial work through its agricultural extension program to work with small farmers for the development and improvement of seed banks and stocks.

POSSIBLE QUESTIONS

Does this appropriation duplicate efforts by NMSU?

What are the specific goals of the appropriation?

EF/sb:lg